

NEW SOUTH WALES.

BUSINESS STATISTICS - 17th March, 1941.

The growing war effort has promoted great commercial activity and increased rail, tram and bus traffic. Business confidence is high. Reactions to grave war warnings were moderate and are being overcome. Interest rates are low. Oversea trade tends to conform to war-time requirements. Private building enterprise appears to be decreasing and real estate sales remain below the pre-war level.

Enactment of the "Lend or Lease" Act in U.S.A. is being followed promptly by aid to Britain and promises to be a decisive factor in the course of the war.

C O N T E N T S.

PART

I

<u>Season:</u>	Rainfall Index, Feb., 1941. Conditions favourable.
<u>Export Prices and External Conditions:</u>	Prices steady. Sale of canned fruit to U.K. Trade with Neth.E. Indies. U.S. "Lend or Lease" Act. The blockade and France. Industrial mobilisation and restriction of consumption in U.K.
<u>Currency Relationships:</u>	Britain using up dollar assets. Will America "lend or lease" dollars for stabilisation of sterling? French gold reserves.
<u>Wool:</u>	Progress of appraisements. Average values. Disposal of wool to U.S.A.
<u>Wheat:</u>	Oversea futures dearer. Canada to limit wheat production. Local market quiet. Growers' advisory committee to be appointed.
<u>Butter:</u>	Production declining slowly. Intra-State quota March, 1941. Butter made in N.S.W. factories - Jan. and July-Jan., 1940-41. Pay to suppliers to North Coast factories - February, 1941.
<u>Metals:</u>	Tin dearer in London. Tin workings at Gibsonvale, N.S.W. International tin statistics. Silver steady in London.

II

<u>Bank Clearings - Sydney:</u>	February and Jan.-Feb., 1941.
<u>Stock Exchange - Sydney:</u>	February, 1941.
<u>Real Estate - N.S.W.:</u>	Sales and Mortgages - Feb. & Jan.-Feb., 1941.
<u>Oversea Trade - Australia:</u>	February and July-Feb., 1940-41.
<u>Interest Rates:</u>	<u>Mortgages:</u> Dec.-February, 1940-41.
	<u>Bonds:</u> February-March, 1941.

III

<u>Buildings Commenced, Metrop. Water Bd. Area:</u>	Value and No. of Houses: Feb. and Dec.-Feb., 1940-41.
<u>Motor Vehicles - N.S.W.</u>	New Vehicle Sales - February, 1941. No. of Reg'd. Vehicles at Feb. 28, 1941.
<u>Railways, N.S.W.</u>	Passengers, Freight and Finance - Jan. & July-Jan., 1940-41.
<u>Trams and Buses:</u>	Passengers and Finance - Jan. & July-Jan., 1940-41.

BUSINESS STATISTICS - 17th MARCH, 1941.

PART I PRIMARY AND EXPORT INDUSTRIES.

SEASON. During the first half of March, 1941 rainfall was moderate to heavy on the North Coast and in northern and central inland areas. Satisfactory rainfall in February following upon bountiful rains in December and January, has rendered seasonal conditions generally very favourable.

WEIGHTED AVERAGE RATIO OF ACTUAL TO NORMAL RAINFALL, N.S.W.

	<u>1940:</u>	Oct.	Nov.	Dec.	<u>1941:</u>	Jan.	Feb.
Sheep Districts - per cent.		18	52	123		319	78
Wheat " " "		11	52	129		336	87
Dairying (Coastal) " "		85	82	167		144	102

EXPORT PRICES AND
EXTERNAL TRADE
CONDITIONS:

Insufficiency of shipping space is retarding Australian exports to the United Kingdom. Export prices are steady at a level about 25 per cent. above the pre-war average (1938-39). The British Government is to buy 500,000 cases (valued at about £425,000) of the Australian 1941 pack of canned apricots, peaches and pears, and later may take more. (Last year Britain purchased 1,050,000 cases). This will help the fruit-growing industry which faces a very difficult disposal problem. Much wool for use and for the strategic reserve has been shipped (presumably in American ships) to the United States. Trade with the Netherlands East Indies has increased but the shortage of shipping has precluded advantage being taken of all opportunities offering for trade expansion in the East.

Enactment of the "Lend or Lease" law in the United States, and the steps already taken to make the United States the arsenal of democracy transcends all other political and economic developments. Congress is this week to appropriate \$7,000 m. for the purpose; transfers of material are already proceeding; unlimited supplies of aviation petrol and lubricating oils are to be available to the British Empire, and a "super-mediation" board is being set up to deal with defence labour disputes. Shipbuilding is being speeded up.

According to press reports, food supplies for unoccupied France may be passed through the blockade.

The British Government has sent Sir Arthur Salter to America to discuss shipping help and another representative (Hon.R.H. Brand) to enter into arrangements regarding food supplies from the United States. British shipping losses have risen again. Beginning national registration for war work in Britain all men of 41 years of age are to register on April 5 and all women 20 years of age are to register on April 20. Mr. Bevin has asked workers voluntarily to register with employment exchanges for jobs furthering the war effort. A scheme to close down non-essential factories was announced on March 5. The Cotton Control is halving imports of cotton. Supplies of newsprint have been curtailed further. Jam, marmalade, treacle and syrup were rationed as a group, called "preserves" at 8 oz. a person a month from March 17. The weekly meat ration remains at 1s.2d. worth for adults and 7d. for children under six years. Feeding stuffs are in short supply and poultry farmers are being encouraged to cull older hens severely.

Prices of industrial shares have declined in London but were tending firmer in New York last week.

INTERNATIONAL
CURRENCY
RELATIONSHIPS.

There has been no change in the open market rate of exchange, dollars for sterling in New York in recent weeks.

The "Lend or Lease" Act does not end Britain's dollar anxieties. According to a cable from London it appears that Britain will still require to find cash for raw materials and food and will be obliged to expend all but \$347 m. of her dollar assets in 1941. It is stated that about \$162½ m. is needed now, and a like amount will be payable to Canada in 1941. Speculating on the situation the

PART I (Continued)

"New Statesman " suggests "when these assets are completely exhausted the American authorities might "lend or lease" dollars for the support of the pound sterling, which would be a fine preliminary exercise for the post-war period, when sterling is bound to slump badly unless it has American support". (Quoted S.M.H.17.3.41.)

From New York it is reported that all the Bank of France's gold reserves (£1,000 m. or £A.312.5 m.) are held in Martinique where they arrived in June, 1940. This is apart from gold held under earmark for the French authorities in New York.

WOOL. On 14th March, 1941 the Central Wool Committee reported that appraisement of wool to date in all centres in Australia were 2,810,000 bales, of an appraised value of £45,036,157 of which £42,900,385 had been distributed to growers. On wool so far appraised the average appraised prices of wool per pound greasy in the various States and for the Commonwealth compare with averages over the whole season, 1939-40 as follow:-

	<u>N.S.W.</u>	<u>Vic.</u>	<u>Q'land.</u>	<u>S.Aust.</u>	<u>W.Aust.</u>	<u>Tas.</u>	<u>Commonwealth.</u>
1939-40 ø	12.45d.	13.21d.	12.15d.	11.00d.	11.79d.	14.46d.	12.41d.
1940-41 x	12.18d.	13.31d.	12.02d.	11.13d.	12.12d.	15.17d.	12.36d.
	ø Whole season.		x July 1 to March 14.				

Commercial orders for the United States total 461,000 bales. These have priority in shipment over wools for the strategic reserve to be maintained in U.S.A. for which purpose 155,000 bales have been shipped. Australian sheepskin export packing houses have been paid £1,561,246 for 73,532 bales of sheepskins appraised on account of the British Government.

Main appraisements were completed in Sydney on February 25, 1941. Catalogues of late summer shorn clips, lambs and crutchings may be offered in Sydney early in April.

There are indications that the Australian clip of 1940-41 may be of about the same volume as that of 1939-40. Production in New South Wales is expected to be about 518 m. lb. compared with 546 m. lb. in 1939-40.

WHEAT. Wheat futures in Chicago show a gain of about 5 cents a bushel over the past week and of about 8 cents during the past month. Futures in Winnipeg are slightly dearer also. The gain in Chicago is reported as due to less favourable United States and oversea crop news and prospects of wheat sales to Spain. Recent strength may be related to the decision of Canada to limit wheat deliveries from the 1941 crop to 230 mill. bus. Farmers are being instructed to transfer from wheat to maize, barley and flax, but only a relatively small proportion of the wheat area can be utilised in this way. It was stated officially in Washington that the United States wheat surplus on July 31, 1941 will be not less than 400 m. bus.

The local wheat market has been very quiet. Approval has been given to a proposal to appoint a growers' advisory committee to collaborate with the Wheat Industry Stabilisation Board. A further payment on account of No. 1 Pool (the residue of 1938-39 wheat taken over by the Wheat Board) is to be made. Particulars are not yet available. Bulk wheat for flour for local consumption remained at 3s.11½d. a bus. ex trucks, Sydney. Little enquiry for flour for export has been reported. Flour at wholesale locally is £12.13s. a ton (unchanged).

PRICES OF WHEAT IN NEW SOUTH WALES.

	Seasons ended November.				February.		March 17, 1941.
	Av.1931-35.	1937.	1939.	1940.	1940.	1941.	
	Shillings and pence per bushels.						
<u>Bulk Wheat.</u>							
Ex trucks, Sydney.	2 9½	5 3	2 5	-	3 9½(b)	3 11¼(b)	3 11¼(b)
Equivalent ex farm at country siding (a)	2 2½	4 8	1 9½	(c)	(c)	(d)	(d)

- (a) Exclusive of bounty. (b) Prices for sale for local consumption.
(c) Farmers have received about 2s.10d. (net) a bus. for 1939-40 bulk wheat.
(d) Not yet ascertainable. Initial advance gives about 2s.5d.(net) at country sidings. Prices shown for 1938-39, 1939-40 and 1940-41 wheat are not final.

PART I (Continued)

BUTTER. -Butter production in New South Wales was at a higher level in January and February, 1941 than during those months in recent years, but is now declining slowly. Provision has been made for accumulation of emergency stocks in strategic centres throughout the State. The proportion of butter made permitted to be sold within the State in March, 1941 is 44 per cent., compared with 37 per cent. in February, 1941 and 40 per cent. in March, 1940. The quota which reflects production prospects in Australia as a whole is rather higher than usual at this stage of the season:-

	<u>1935.</u>	<u>1936.</u>	<u>1937.</u>	<u>1938.</u>	<u>1939.</u>	<u>1940.</u>	<u>1941.</u>
Proportion of butter made permitted to be sold in N.S.W.							
March	32%	37½%	41%	40%	50%	40%	44%

The amount of butter made in N.S.W. factories in January, 1941 exceeded that in January of all previous years excepting 1934, 1935 and 1938 but owing to the spring and early summer drought production in the seven months ended January, (58.53 m.lb.) was 17 per cent. less this season than in 1939-40 and 17.89 m.lb. below the average for the period in the five seasons ended 1935-36:-

PRODUCTION OF BUTTER IN FACTORIES IN N.S.W.

	<u>Av., 1932-36.</u>	<u>1937.</u>	<u>1938.</u>	<u>1939.</u>	<u>1940.</u>	<u>1941.</u>
January mill.lb.	15.27	13.26	14.59	9.71	12.63	14.45
Seven months m.lb.	76.42	56.12	68.45	60.80	70.35	58.53

Suppliers of cream to certain North Coast factories in February, 1941 are being paid 12³/₈d. per lb. of commercial butter made. This price varies as the proportion available for export rises or falls. In comparison with February, 1938 when production was about the same the price was 1¹/₈d. a lb. higher. Other comparisons are:-

PAY TO SUPPLIERS OF CREAM TO CERTAIN NORTH COAST FACTORIES, N.S.W.

	<u>Sept.</u>	<u>Oct.</u>	<u>Nov.</u>	<u>Dec.</u>	<u>Jan.</u>	<u>Feb.</u>	<u>Deferred Pay July-Dec.(a).</u>
Pence per lb. of commercial butter made.							
1933-34 (b)	11	9	7½	7	6½	6¾	5/8
1936-37 (b)	11	10½	11	10¼	10	10	17/8
1938-39	12¾	12	11½	11¼	12¼	12½	5/16
1939-40	12¼	12	11¾	12	12½	12⅝	¾
1940-41	13	12⅝	12¾	12¾	12½	12¾	¾

(a) This payment is additional to that shown for each relevant month.

(b) Cartage charges (now paid by factories) met by farmers (about ¾d. a lb.)

At present British consumers may obtain 4 oz. of butter in a total fat ration of 8 oz. per person per week.

METALS. The sharp rise in the price of tin in the free market in London which occurred in the third week in February, 1941 (to £stg.283 a ton) was not maintained, but a very firm market has prevailed during this month. On March 14, the mean quotation of £stg.269.12s.6d. a ton was the highest this month and above the average for any month since June, 1940. Prospectors working a tin reef at Gibsonvale near West Wyalong (N.S.W.) are producing ore valued at about £3,000 a week, but an official estimate of the life of the field has not yet been possible.

The world statistical position of tin remains strong with absorption of tin at a very high level:-

PART I (Continued)

<u>TIN.</u>	<u>World visible supplies.</u>	<u>Supplies Received.</u>	<u>Deliveries.</u>
February 1937 tons	18,758	11,510	11,441
1938 "	16,402	7,926	8,355
1939 "	24,489	9,084	6,519
1940 "	23,865	11,863	12,796
1941 "	39,308	14,975	15,251

In London the price of silver is steady at about 1s.11½d. (stg.) per oz.

Prices of other base metals in London remain at those fixed by the British Ministry of Supply in December, 1939, viz:-

	<u>Copper.</u> Electrolytic.	<u>Lead.</u> Soft, Foreign.	<u>Spelter.</u>
Per Ton, delivered to buyer, duty paid.	(stg.) £62	£25	£25.15s.

BANK CLEARINGS. In February, 1941 inter-bank clearings in Sydney were (for the first time for over a year) less than in the corresponding month of the preceding year though 8.6 per cent. greater than in February, 1939. Clearings in February, 1940 were increased by payment of the first advance on wheat of the very large 1939-40 harvest. With due regard to such incidental irregularities there is now a reasonable basis of comparison between current clearings and those of a year earlier as the arrangements for payment for important commodities exported to the United Kingdom remain practically unchanged. The amount of clearings in January and February together was slightly greater in 1941 than in 1940.

The index number of bank clearings for the three months ended February, was 114 in 1941 compared with 110 in 1940 and 96 in 1939. This indicates a very high level of commercial activity. It is due largely to war spending and increased industrial activity, but part of the increase is due to higher commodity prices, wages etc. War conditions are causing curtailment of some forms of private enterprise but this has been more than offset by expansion of special war time activities.

INTER-BANK CLEARINGS - SYDNEY.

	Amount. (a)		Index No. (b)
	February.	Jan.-Feb.	Dec.-Feb.
	£million	£million.	1926-30 = 100.
1929	88.1	174.3	107
1938	75.6	143.1	96
1939	75.5	142.0	96
1940	88.9	171.6	112
1941	82.0	172.3	114

(a) Excluding Treasury bill transactions.

(b) Adjusted to eliminate effects of bank amalgamations and special governmental transactions but not for changes in price levels.

STOCK EXCHANGE. In reaction to grave official warnings regarding the war situation prices of ordinary company shares on the Sydney Stock Exchange tended lower, and during the first half of February practically all the gain in average values (about 3 per cent.) during January was lost. Later in the month and early in March the market was steady and share prices fluctuated within a very narrow range about a level somewhat below that ruling in December, 1940. Somewhat similar trends in industrial share prices were experienced in London and New York. There was no indication of precipitate selling when the market eased in February and bond prices were affected only slightly.

The index number of average value of ordinary company shares in February, 1941 was 172 compared with 174 in January, 1941 and 178 in February, 1940, and was about 14 per cent. above the wartime lowest average in June, 1940. The course of the average value of ordinary company shares in Sydney is illustrated as under:-

INDEX OF VALUE OF ORDINARY COMPANY SHARES - SYDNEY STOCK EXCHANGE.

Excluding Banks. Par value = 100.

	Shares in Companies engaged in -					Total 75 Companies.	24 Active Shares.
	Manufac- turing & dis- tributing.	Retail Trade.	Public Utili- ties.	Pastoral & Fin- ance.	Insur- ance.		
March, 1937 (a)	214	204	181	169	281	190	200
Jan., 1940 (b)	229	174	152	132	270	182	195
June, 1940 (c)	187	138	129	110	233	151	160
Nov., 1940	220	174	140	121	257	173	186
Dec., "	221	169	140	122	256	172	185
Jan., 1941	223	171	143	122	255	174	188
Feb., "	219	171	143	120	252	172	184

(a) Highest point. (b) Highest and (c) Lowest of the war period.

PART II (Continued)

REAL ESTATE. A decline in real estate transactions began late in 1938 and was hastened by the outbreak of the war. In the last few months there has been a slight recovery, apparently due to activity in suburban home, investment and factory properties. Very little business has been done in large city buildings and relatively little rural property has changed hands.

In February, 1941 sales registered were slightly greater in amount than in Feb., 1940 and mortgage registrations were greater than for several previous months but in the three months ended February, 1941 sales were 20 per cent. less and mortgages 38 per cent. less in amount than in the corresponding three months of 1937-38.

REAL ESTATE TRANSACTIONS - NEW SOUTH WALES.

	Month of February.		January and February.	
	Sales.	Mortgages.(a)	Sales.	Mortgages.(a)
	Amount of considerations - £000.			
Aver. 1925-29 (b)	4,619	4,042	9,238	8,084
1938	3,285	1,868	5,668	3,639
1939	2,438	1,841	4,887	3,432
1940	2,524	1,428	4,408	2,908
1941	2,557	1,329	4,940	2,476

(a) Includes normal renewal of mortgages in 1925-29. Renewals were rendered unnecessary in many cases by the Moratorium Act, 1930.

(b) Monthly and two months averages.

OVERSEA TRADE - AUSTRALIA. Possibly related to the irregularity of shipping movements and the position regarding shipping space generally, the value of Australia's overseas trade in the seven months ended January, 1941 was, as to exports 2 per cent. less and as to imports 14 per cent. less than in the first seven months of 1939-40. In February, 1941 the trade figures were the lowest of any wartime month.

Exports are apparently affected by reduced shipping space, the British policy of restricting consumption and of obtaining supplies from nearest-at-hand sources, and in certain products, smaller export surpluses as a result of drought in 1940. Exports in the seven months ended January, 1941 compare with those of the corresponding period of 1939-40 as follows:-

<u>Increases (£A000)</u>		<u>Decreases (£A000)</u>	
Cheese	48	Butter	4,818
Eggs	463	Beef, Mutton and Lamb	1,720
Pork	335	Preserved Fruits	281
Tinned Meat	560	Sugar	995
Milk and cream	147	Wine	423
Dried Fruits	886	Rabbit Skins	498
Wheat	4,755	Wool, Greasy &c.	3,614
Flour	1,903	Minerals, incl. ores &c.	443
Beer & Spirits	463	Metals and Manfrs.	
Sheep skins	919	(not machinery)	1,610
Apparel and attire	524	Leather	129
Machines & machinery	507		
Rubber manfrs.	182		

Imports of some important classes of consumption goods have decreased considerably. These include (value in £stg.000):-

PART II (Continued)

	<u>Decrease.</u>
Foodstuffs of animal origin	250
" " vegetable origin	290
Spirituuous & alcoholic liquors	95
Tobacco and tobacco manufrs.	787
Apparel and attire	268
Timber & wood & wicker manfrs.	551
Crockery, glassware, china etc.	109
Books, stationery, etc.	324
Jewellery, time pieces & fancy goods	350

Higher landed costs, importation of reserve supplies, and of raw materials for home manufacture in place of imports of finished goods are factors in increases (in £stg.000) in the following items of import:-

	<u>Increase</u>		<u>Increase</u>
Raw cotton	232	Cotton yarn	224
Paper pulp	311	Rubber - crude etc.	354
Linseed	108	Paper (all kinds)	839
Art. Silk yarn	363		

Imports of materials for essential civilian (and in part war) needs show increases in value (in £stg.000) for:-

	<u>Increase</u>
Canvas and duck piece goods	296
Cotton and linen " "	1,743
Hessian and jute " "	90
Silk & art. silk " "	197
Sewing & other cottons, threads	239
Bags and sacks	333

Associated with the rapid expansion of war industries and with home manufacture of goods formerly imported, are increases in imports (in £stg.000) of:-

	<u>Increase</u>
Motive power machinery	521
Roller bearings and ball bearings	130
Yarn-making & textile-making machinery	281

Imports of motor cars, chassis & parts decreased by £stg.985,000 but perhaps the most striking movement of all was the increase for "other metals and metal manufactures" (which would include vital war supplies) of £stg.6,464,000 or of 286 per cent.

This cursory examination suffices to indicate that the control of imports is causing unessentials to be curtailed, while strengthening Australia's productive resources for both necessary civilian requirements and for ever-increasing war supplies. It has been stated officially that soon non-essential imports from sterling sources are to be reduced by tariff action.

The apparent commodity balance of trade is less favourable than at this stage of the last trade year. But the figures of value of physical goods actually passing in any period have less relationship to actual payments than under peace-time trading conditions. Because of far-reaching changes in relation to other items of external payments and receipts the recorded trade figures have far less significance than formerly in relation to total balance of current payments. Comparative particulars are as follow:-

PART II (Continued)

OVERSEA TRADE-AUSTRALIA - MERCHANDISE ONLY. ø

	Month of February.			Eight Months ended February.				
	1939.	1940.	1941.p	1937.	1938.	1939.	1940.	1941. p
	Value in £stg. million							
Merchandise -								
Exports	8.47	11.76	7.46	75.84	73.72	67.06	76.46	70.92
Imports	8.19	13.90	6.18	59.42	75.01	67.12	72.66	73.26
Commodity Balance	0.28	-2.14	1.28	16.42	-1.29	-0.06	3.80	- 2.34

ø Particulars of bullion and specie not available for publication.
 Minus sign (-) denotes import surplus. p. Preliminary.

INTEREST RATES - Mortgages. Mortgage rates of interest have varied very little in recent months after declining sufficiently in the first six months of 1940 to offset the rise which occurred during 1938 and 1939. In the three months ended February, 1941 the weighted average rates of interest on private first mortgages registered was 5.1 per cent. on rural and 5.5 per cent. on urban mortgages compared with 5.5 and 5.8 per cent. respectively in October-January, 1939-40.

AVERAGE RATE OF INTEREST ON PRIVATE FIRST MORTGAGES - N.S.W.

	Rural First Mortgages.					Urban First Mortgages.				
	1937.	1938.	1939.	1940.	1941.	1937.	1938.	1939.	1940.	1941.
	Weighted average rate of interest - per cent. per annum.									
Dec.-Feb.	4.9	5.1	5.1	5.4	5.1	5.3	5.3	5.5	5.7	5.5
Cal. year.	5.0	5.0	5.2	5.1	-	5.3	5.4	5.6	5.6	-

Government Securities. Until the general stock market reaction early in February to grave official warnings regarding the war situation bond prices were rising steadily and on February 6, 1941, the average net redemption yield on all loans of five or more years' maturity was £3.1s.8d. per cent. - the lowest yet recorded. The fall in prices of Government bonds was not great and during the past three weeks the market has strengthened again; the average yield on March 13, 1941 was £3.2s.1d. per cent.

A Melbourne Board of Works cash and conversion loan of £1.25 m. offered at 3½ per cent. for ten years closed at noon (as to cash applications) on the day of opening (March 7, 1941) when cash and conversion applications already exceeded the amount of the loan. This issue affected that of the Electricity Commission of Victoria (£300,000 at par for 16 years at £3.8s.9d. per cent.) which closed about £50,000 undersubscribed on March 3.

The course of interest yields on Government securities of five or more years' maturity was as under:-

NET REDEMPTION YIELD ON AUSTRALIAN CONSOLIDATED LOANS. ø

	Bonds maturing in -											
	Over 5 to 10 years.			Over 10 to 15 years.			Over 15 years.			Over 5 years. (overall rate)		
	Average net redemption yield - per cent. per annum.											
	£.	s.	d.	£.	s.	d.	£.	s.	d.	£.	s.	d.
Average - 1935	3	9	7	3	10	1	3	13	9	3	11	1
" Jan.-June, 1939	3	17	9	3	18	4	3	18	4	3	18	1
" September, 1939	4	1	0	4	1	1	4	1	9	4	1	3
" December, 1940	3	1	6	3	4	11	3	7	3	3	4	1
" January, 1941	3	0	6	3	3	4	3	6	1	3	2	10
" February, 1941	2	19	9	3	2	8	3	6	1	3	2	4
February 6, 1941	2	19	3	3	2	1	3	4	11	3	1	8
" February 20, 1941	3	0	4	3	3	2	3	6	7	3	2	11
March 13, 1941	2	18	9	3	3	0	3	6	3	3	2	1

ø Calculated on latest date of maturity.

PART II (Continued)

The table shows a fall in bond yields of almost £1 per cent. since the first month of the war. The figures shown are calculated on the latest date of maturity in all cases. The weighted average redemption yield calculated on the earliest date of maturity of bonds above par on the last Wednesday in February, 1941 was £3.0s.4d. and £3.0s.1d. for bonds of 5 to 10 years and of over 10 years maturity, respectively.

PART III INDUSTRIES.BUILDING INDUSTRY.BUILDINGS COMMENCED - METROPOLITAN WATER BOARD AREA.
(Includes Government Buildings).

Building activity, though still considerable shows a tendency to decrease. The value in Dec.-Feb., was 9.5% less this year than last year. Buildings begun in Feb., 1941 (£891,000) and Feb., 1940 were comparable in value as to total and classes of building, but exceptional circumstances affected recent activity.

Housebuilding has declined again after recovery in the middle months of 1940. In Nov.-Feb., 1940-41 the number of houses commenced (2,231) was 12% and 20% less than in the corresponding months of one and two years earlier.

Buildings of a value of £891,000 were commenced in February, 1941 in the Metropolitan Water Board Area. This was £4,000 more than in Feb., 1940, but about 15 per cent. less than in Feb., 1939. There were seven large buildings of an aggregate value of £121,000 in Feb., 1941. It is probable that a number of projects for which permits were obtained in the rush preceding the introduction of building control are included in those recently commenced and to this extent the returns may not truly reflect the current trend. As monthly totals show an irregular downward movement notwithstanding this special circumstance it appears that the tendency is toward a reduced volume of building activity. Values were as follows:-

		<u>Sept.Qr.</u>	<u>Dec.Qr.</u>	<u>Jan.</u>	<u>Feb.</u>	<u>Dec.-Feb.</u>
1938-39	£000	3,610	2,623	949	1,053	2,790
1939-40	£000	3,032	2,530	1,371	887	2,813
1940-41	£000	3,491	3,017	926	891	2,546

In distribution according to class of building the amounts in February, 1941 were similar to those of a year earlier. Slightly less money was involved for dwelling houses and slightly more for flats; for these totals in February were 11 per cent. and 5 per cent. respectively below the monthly average in the last six months of 1940. There is still relatively little building activity in the city area. Detailed comparisons are furnished below:-

BUILDINGS COMMENCED - METROPOLITAN WATER BOARD AREA.
Including new buildings, additions, etc. and Government buildings.

Type of Building.	February.			Three months ended February					Movement '40 to '41.
	1939.	1940.	1941.	1937.	1938.	1939.	1940.	1941.	
	Value in thousands of pounds.								per cent.
Dwelling Houses	523	494	483	809	1138	1408	1325	1333	+ 0.6
Flats	99	163	190	267	561	372	390	600	+ 53.8
Business Premises ϕ	360	144	142	798	1096	727	915 W	452	- 50.6
Miscellaneous x	71	86	76	164	347	283	183	161	- 12.0
Total	1053	887	891	2038	3142	2790	2813	2546	- 9.5
City Buildings	252	85	63	533	472	592	600 W	192	- 68.0
Suburban "	801	802	828	1505	2670	2198	2213	2354	+ 6.4

ϕ Shops, factories, offices, etc. x Hospitals, churches, theatres, schools, etc.
~~W~~ Includes G.P.O. extension, £411,000.

/DWELLING.....

PART III (Continued)

DWELLING HOUSES. After contracting considerably in the first eight or nine months of the war, the number of dwelling houses commenced rose in the middle months of last year but have decreased again since October 1940:-

	<u>July</u>	<u>Aug.</u>	<u>Sept.</u>	<u>Oct.</u>	<u>Nov.</u>	<u>Dec.</u>	<u>Jan.</u>	<u>Feb.</u>	<u>Nov.-Feb.</u>
Number of dwelling houses commenced.									
1938-39	700	777	643	637	681	535	582	657	2455
1939-40	652	765	617	647	626	390	600	615	2231
1940-41	743	629	664	696	571	398	497	507	1973

This decrease may be attributed in part to a marked diminution in new finance for co-operative building societies.

INDIVIDUAL HOUSES COMMENCED - METROPOLITAN WATER BOARD AREA.

	Month of February.	March Qr.	June Qr.	Sept. Qr.	Dec. Qr.	Calendar Year	Eight months ended Feb.
Number of dwelling houses (not including flat dwellings.)							
1935	289	941	912	1,125	1,065	4,043	2,077
1936	449	1,273	1,251	1,668	1,195	5,387	3,009
1937	384	1,152	1,212	1,618	1,592	5,574	3,609
1938	471	1,627	1,857	2,120	1,853	7,457	4,160
1939	657	1,859	1,785	2,034	1,663	7,341	5,212
1940	615	1,740	1,720	2,036	1,665	7,161	4,912
1941	507	-	-	-	-	-	4,705

The Premier has forecast a State plan for building 5,000 homes, 1,000 of which are to be reserved for newly married couples and 400 for wives and families of soldiers.

MOTOR VEHICLES. The number of new motor vehicles sold in February, 1941 (averaging 163 cars and 70 lorries and vans a week) was 20 per cent. greater than in January, 1941, but only a little more than one-third the number in February, 1938 or 1939:-

AVERAGE WEEKLY NUMBER OF NEW MOTOR VEHICLES REGISTERED, N.S.W. ϕ

	Cars, Cabs and Omnibuses.						Lorries and Vans.					
	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.
1937-38	415	421	483	534	427	470	200	221	246	222	163	184
1938-39	368	343	428	457	325	505	181	177	202	163	117	127
1939-40	270	314	368	344	246	333	126	145	169	127	87	110
1940-41	118	128	173	163	141	163	63	64	77	69	53	70

ϕ Exclusive of vehicles in defence services and also of trailers.

During the first 12 months of war the total number of registered motor vehicles on the roads decreased by about 5 per cent. But since September last, there has been an increase of about one per cent. Compared with August, 1939 the registrations current in February, 1941 showed a decrease of 9,418 cars (4.3%) and of 1,980 lorries and vans (2½%). This decrease is partly due to non-renewal of registration of vehicles failing to satisfy safety standards.

NUMBER OF REGISTERED MOTOR VEHICLES IN NEW SOUTH WALES.

		1939.	1940.		1941.	
		Aug.	Feb.	Oct.	Jan.	Feb.
Cars	000	216.6	215.1	205.0	207.4	207.2
Lorries & Vans	000	77.6	76.7	75.1	75.6	75.7
All Vehicles	000	329.2	325.6	314.1	316.2	316.1

PART III (Continued)

RAILWAYS. In January, 1941 the quantity of goods carried by Government railways in New South Wales was approximately 14 per cent. less than in Jan., 1940, reflecting the very small wheat harvest of 1940-41 and the rapid movement of wool to appraisement centres in earlier months of the season. In the seven months ended January, 1941 the excess of revenue over working expenses was the greatest ever recorded for the period, amounting to £5.08 million, compared with £4.13 m. in 1939-40 and £3.m. in 1938-39. Goods ton mileage, also a record, was 18 per cent. greater and the number of passenger journeys was over 5 per cent. greater than in July-Feb., 1939-40. The increase in traffic is due primarily to the rapid expansion of war industries and of war activities leading to record employment and increased wage-earners' incomes.

NEW SOUTH WALES GOVERNMENT RAILWAYS.

	Month of January.			Seven Months ended January.		
	Passenger Journeys.	Goods Ton Mileage.	Working Surplus.ø	Passenger Journeys.	Goods Ton Mileage.	Working Surplus.ø
	Million.	Million.	£000.	Million.	Million.	£000.
1932	10.3	148	326	72.0	903	1,852
1938	16.6	166	642	110.2	1130	4,019
1939	16.3	119	431	111.7	1062	3,005
1940	15.7	171	650	104.8	1176	4,128
1941	16.8	148	598	110.4	1382	5,079

ø Excess of earnings over working expenses, exclusive of interest, etc. charges, amounting in 1939-40 to £6,561,000.

ROAD TRANSPORT SERVICES. The number of passengers carried by Government trams and buses in Sydney and Newcastle has increased considerably in recent months and in January and the seven months ended January, 1941 was 8 per cent. and 6.8 per cent. respectively, greater than in the corresponding periods of the preceding year. In the seven months gross earnings were 5.7 per cent. greater and working expenses increased by little more than one per cent. so that the surplus (before meeting interest, etc. charges) was £126,000 greater than in July-Jan., 1939-40. Concession fares apply to travel by men in the defence services and those to school children have been extended, and wages and other working costs have increased, but economies have been effected in working (including substitution of bus services for trams on some routes).

GOVERNMENT TRAMWAY AND OMNIBUS SERVICES - SYDNEY AND NEWCASTLE.

	Month of January.				Seven Months ended January.			
	Earnings.	Working Expenses.	Working Surplus.ø	Passengers.	Earnings.	Working Expenses.	Working Surplus.ø	Passengers.
	£000	£000	£000	million	£000	£000	£000	million.
1938	405	294	111	32.5	2,487	2,025	462	213.6
1939	397	320	78	32.0	2,540	2,166	374	218.1
1940	421	312	109	32.7	2,610	2,179	431	219.2
1941	448	321	127	35.3	2,759	2,202	557	234.1

ø Excess of earnings over working expenses, exclusive of interest, sinking fund, exchange and depreciation totalling £671,000 in 1939-40.